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CENTRAL INTELLIGENCE AGENCY

Memorandum



THE SITUATION IN VIETNAM

Information as of 1600
30 March 1965

PREPARED FOR THE NATIONAL SECURITY COUNCIL
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HIGHLIGHTS

The Viet Cong have already begun to exploit the bombing of the US Embassy in Saigon, hailing it as a great victory by their armed forces. Peiping and Hanoi can be expected to chime in with additional support as the Asian Communists make a major propaganda effort to depict the incident as symbolic of US weakness and the futility of US policy in South Vietnam. The lull in military activity continues. The VNAF attack on Dong Hoi Airfield in the DRV destroyed several buildings and cratered the runway.

I. The Military Situation in South Vietnam:
Viet Cong activity during the past 24 hours was highlighted by the terrorist bombing of the US Embassy in Saigon, causing heavy American and Vietnamese casualties and considerable property damage (Para. 2). No major guerrilla actions in the countryside have been reported by MACV, as the Viet Cong continued to emphasize small-scale harassments, terrorism, and sabotage (Paras. 3 and 4). MACV reports that Communist military activity during the week 21-28 March remained at generally the same reduced level of the previous week, with government casualties and weapons losses again showing a decline (Paras. 9 and 10). RVNAF desertion rates reflected a slight increase in the month of February. (Para. 12). Reports of Viet Cong troop movements northward and of orders for local guerrillas to turn in their arms may possibly represent a deliberate Communist ruse (Paras. 14 and 15).

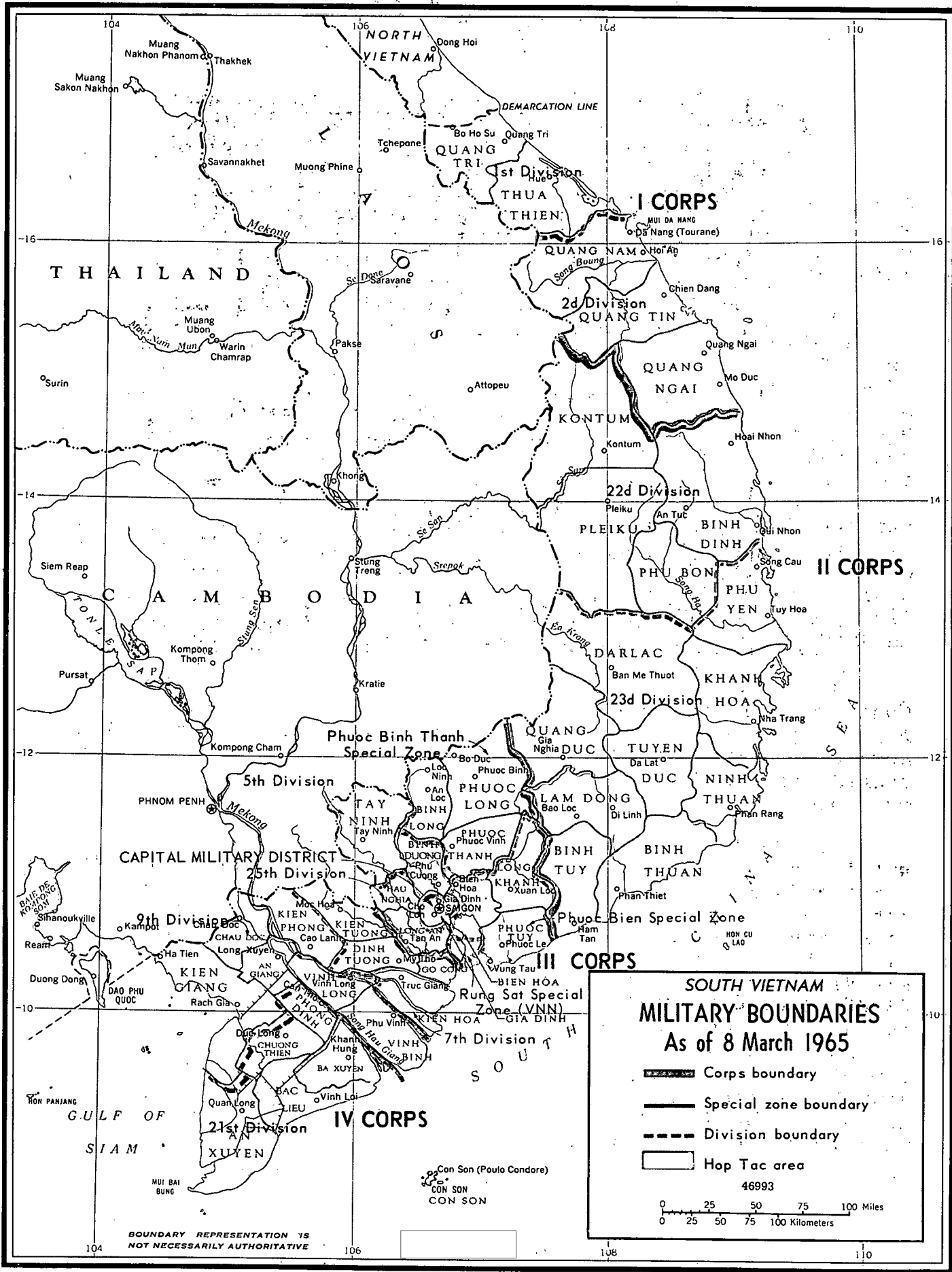
II. Political Developments in South Vietnam
The Liberation Front radio has claimed that the "people's armed forces in Saigon" used a mine to damage the US Embassy today and hailed the achievement as a blow dealt at the "imperialists" in line with the Front's appeal of 22 March (Para. 1). Viet Cong guerrillas are also reportedly spreading propaganda that North Vietnam is not being hurt by the air strikes (Para. 2).

III. Military Developments in North Vietnam:
The strike against Dong Hoi Airfield on 30 March destroyed several buildings and cratered the runway (Para. 1). It now appears that the priority construction project reported under way on the outskirts of Hanoi is an industrial-type building, possibly with no military significance (Para. 2). A new group of North Vietnamese pilots was reported to have begun training in the USSR in February (Para. 3). There is still no confirmation of the arrival of Soviet military equipment in the DRV.

IV. Other Communist Military Developments:
No bloc military movements connected with the situation in Vietnam have been detected today.

V. Communist Political Developments: The Asian Communists can be expected to make a major propaganda effort to exploit the bombing of the US Embassy in Saigon (Paras. 1 and 2).

VI. Other Major Aspects: The air strikes on the DRV are apparently having an adverse effect on Japanese trade with North Vietnam (Para. 1).



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I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. Viet Cong activity during the past 24 hours was highlighted by the terrorist bombing of the US Embassy in Saigon. Guerrilla operations in the field remained relatively light, with no major actions reported by MACV. Large-scale government operations again failed to make any significant contact with guerrilla main force units.

2. The latest casualty report from today's bombing of the US Embassy in Saigon lists two Americans dead and 54 wounded. Eleven Vietnamese were killed and 129 wounded, of which 48 required hospitalization. The explosive charge, estimated by MACV at between 200 and 250 pounds of TNT or equivalent, was detonated in a parked car at the side of the embassy. Two Viet Cong terrorists were directly involved in the incident; one was killed and the second was wounded and captured. A section of the street adjacent to the embassy was cratered to a depth of three to four feet. The explosion blew in the walls of the consular section on the ground floor of the five-story building. All glass and grill work were blown through the embassy from the first through the third floor, causing extensive damage. The upper stories were damaged primarily by flying glass.

3. MACV's military report for 28 March lists 71 Viet Cong-initiated incidents, nine of which occurred during the reporting period. No armed attacks or ambushes were reported; however, there were several incidents of sabotage against the coastal railroad and harassing fire actions against government posts, hamlets, and watchtowers.

4. No current actions were reported in the I Corps. Within the II Corps, an escorted passenger train and a repair train detonated Viet Cong mines in Khanh Hoa Province on 28 and 29 March, respectively. One of the engines, two freight cars, and one armored car were derailed, and five rail sections and 30 steel cross-ties were damaged. Three railroad employees were injured. An unescorted passenger train was fired on by Communist guerrillas in Binh Thuan Province. In Darlac Province, an unknown number of Viet Cong entered and harassed two new life hamlets. In the III Corps, new life hamlets in Binh Duong and Bien Hoa provinces received small arms harassing fire. Within the IV Corps, the Viet Cong fired on a bridge in Kien Phong Province and harassed a watchtower in Chuong Thien Province.

5. The level of government-initiated ground operations of battalion size or larger remained unchanged. Six operations were initiated and six terminated, leaving 20 in progress on 28 March. ARVN night ground reconnaissance and rapid military reaction to Viet Cong activities in Phuoc Thanh Province have resulted in the capture and destruction of a substantial quantity of enemy foodstuffs and materiel. According to delayed reports for 26 March, two ARVN battalions were dispatched to an area about 14 km. south of the province capital of Phuoc Vinh where the Viet Cong reportedly had unloaded a supply convoy. The search, which continued throughout the next day, resulted in Communist losses of approximately 300 tons of bagged rice and paddy, seven tons of scrap iron, 5,000 mine detonators, 300 meters of nylon cloth, and one ton of salt. Government losses in the operation were nine wounded, all but one as the result of booby traps planted in rice bags and other material. Light enemy resistance was encountered, consisting mainly of occasional sniper fire.

6. Unconfirmed press reports state that 13 Viet Cong were killed yesterday in an engagement with South Vietnamese troops in Hau Nghia Province, immediately northwest of Saigon. The press also reports that four government soldiers were killed and 12 wounded yesterday in Kontum Province, 275 miles northwest of Saigon, when an ARVN battalion engaged a Viet Cong unit of undetermined strength. The operation reportedly continues today.

7. Company-strength or smaller operations conducted on 28 March numbered 2,640, a sharp rise from the previous day's total of 1,943. Thirteen contacts were made with the Viet Cong, with minor losses on both sides.

8. Both USAF and VNAF interdiction sorties reflected a considerable increase. Continued widespread bombing and strafing of Communist guerrilla targets throughout South Vietnam on 28

March has resulted in pilot reports of 44 Viet Cong killed and 360 structures destroyed. Twenty-seven of the combat air operations were flown by USAF B-57/F-100 aircraft.

9. According to MACV, Viet Cong terrorist and military activity during the week 21-28 March remained at substantially the same reduced level of the previous week. No large-scale attacks were reported, and the Viet Cong continued to avoid contact with major ARVN units. The general lull in activity continued to be reflected in the declining number of government personnel and weapons losses. Viet Cong sabotage kept Highways 1 and 7 closed in Phu Yen Province and Highway 1 from Phu My to Phu Cat in Binh Dinh Province. Railroad sabotage increased during the week; the coastal road remained open and operational only north of Da Nang and south of Nha Trang. A statistical comparison of last week's Communist activity with that of the previous week follows:

<u>Time Period</u>	<u>Attacks</u>	<u>Terrorism</u>	<u>Sabotage</u>	<u>Propaganda</u>	<u>Anti-Aircraft</u>	<u>Total Incidents</u>
Mar 14-20	13	274	56	28	28	399
Mar 21-28	13	338	47	24	26	448

10. According to MACV's weekly military report, ARVN casualties during the period 21-28 March totaled 396 (89 KIA, 242 WIA, and 65 MIA/Captured), a slight decline from the 470 casualties (103 KIA, 274 WIA, and 93 MIA/Captured) sustained during the previous week. ARVN weapons losses numbered 117, a decrease from the 144 reported lost last week.

11. During 21-28 March, the Viet Cong suffered 431 known casualties (325 KIA and 106 Captured), an increase in comparison with the previous week's total of 364 casualties (258 KIA and 106 Captured). Government forces captured 114 weapons (one crew-served), a decline from the 154 weapons (seven crew-served) seized last week.

12. MACV reports a slight increase in RVNAF desertions for the month of February 1965. In the Regular Force, the number and rate per thousand for February (2532 - 10.33) exceeded that of January 65 (2384 - 9.71) and the calendar year (CY) 64 monthly average (1836 - 3.32). Regional Force desertion (812 - 8.20) decreased appreciably from January (1160 - 1.90), and were significantly below the CY 64 monthly average

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(1343 - 15.25). Desertions in the Popular Force increased in February (3894 - 23.84) over January (3359 - 20.15) and surpassed in number the CY 64 monthly average (3039). However, in view of the currently greater strength of the Popular Force, the rate per thousand for February (23.84) was below the CY 64 average (25.46).

13. RVNAF strength figures as of 15 March 1965 are as follows:

Regular Force:	246,500
Regional Force:	100,000
Popular Force:	162,000
Coastal Force:	4,140
National Police:	33,600
CIDG:	19,150
	<u>565,390</u>

14. In the past two weeks, [REDACTED]

[REDACTED] Viet Cong guerrillas in some northern provinces are being ordered to turn in their weapons, that some main force units south of Saigon have been moving to the central and northern provinces, and that some Viet Cong cadres have been ordered to go "north."

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15. It is possible that these reports are being deliberately spread by the Viet Cong in connection with their recent drop in military activity in order to create a false sense of security among government troops over the effectiveness of recent air strikes. A Vietnamese staff officer in northern I Corps, while agreeing that some local Viet Cong troops may have been disarmed because of a need for tighter Viet Cong weapons control following the recent sinking of two Communist supply ships, states that the army is giving the rumors little credence. He speculated that the Viet Cong may launch sudden attacks against villages in government-controlled areas when they conclude that the army and government paramilitary troops are sufficiently off guard.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. A Liberation Front broadcast today said that the bombing of the US Embassy was carried out by the "people's armed forces in Saigon," using a mine. The bombing is described as a great achievement dealt at the heads of the "US imperialists" following the Front's appeal in its "important 22 March statement."

2. Local Viet Cong propaganda reaction to the air strikes against North Vietnam is described in a report that a guerrilla group recently stopped a bus north of Saigon and lectured passengers on the ineffectiveness of the strikes. The propaganda stressed that the Communists have not yet been defeated and boasted of North Vietnam's success in downing US aircraft.

3. A recent Liberation Front broadcast, describing the enthusiasm of peasants in the delta over "repeated successes of the people's army in the North and the South" and the competition of the peasants to pay their "resistance" taxes, probably reflects an effort to boost popular responsiveness to Viet Cong exactions. There have been several indications that increased Viet Cong taxation over the past year has caused restiveness among peasants under Viet Cong control.

4. The Apostolic Delegate to South Vietnam yesterday told Deputy Ambassador Johnson that the Vietnamese Catholic hierarchy had ordered all priests to avoid participation in any demonstrations or coup plots, and that he believed such orders would be obeyed. Referring to the unhappiness among Catholic refugees, the delegate said he personally found no substance to charges that some generals like Thi and Ky were anti-Catholic or pro-Buddhist, nor did he consider the politically motivated Buddhist leaders anything more than a small, if undisciplined, minority. He said he considered governmental stability of prime importance, felt the Quat government was a good one, and saw no threat to the Catholics except from the Viet Cong.

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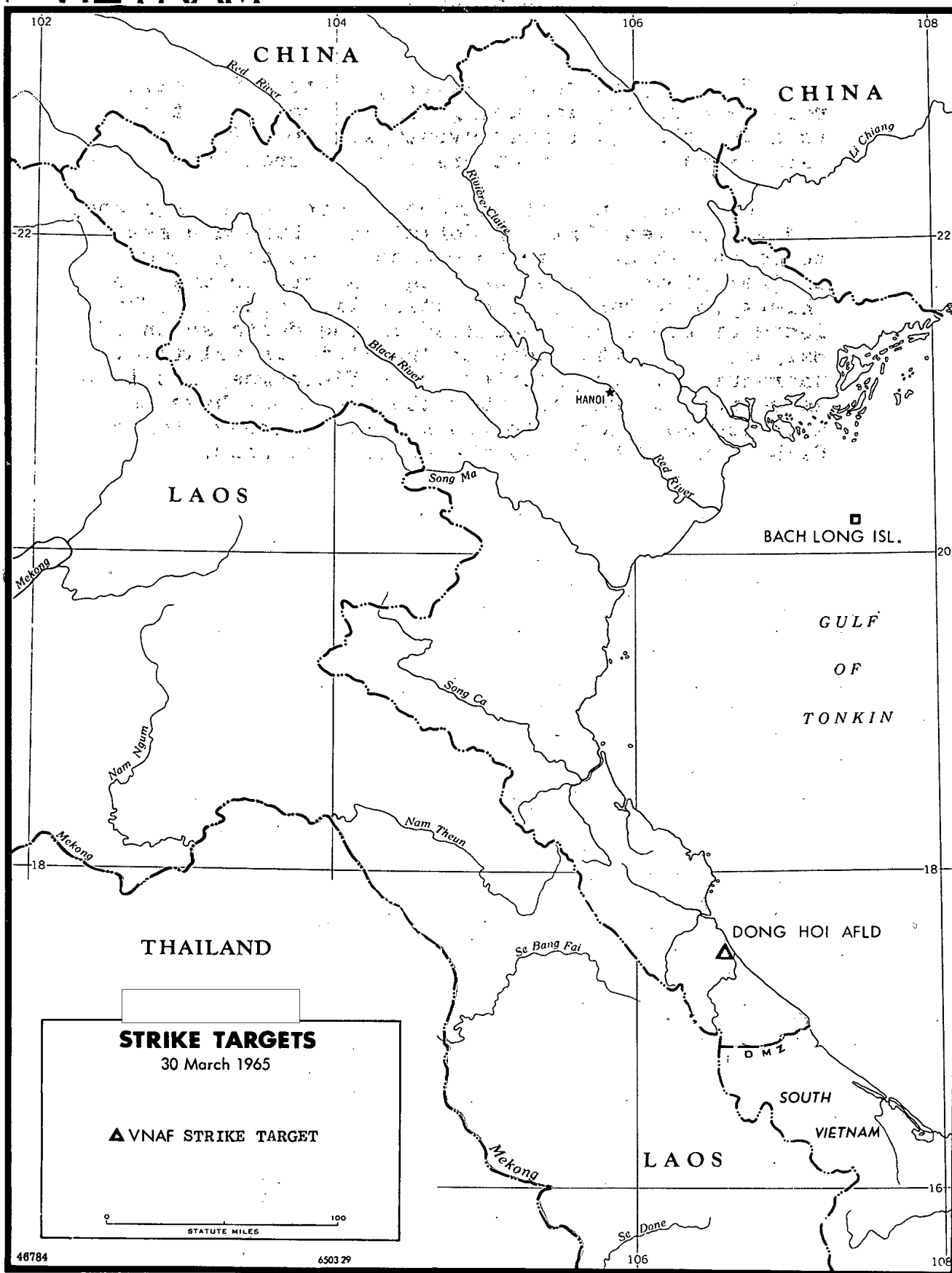
5. Despite these remarks, various Catholic refugee circles, including some priests, continue to argue that Quat must eventually go. They indicate sympathy with plotters like Colonel Thao.

6. The South Vietnamese Government news agency today reported that a Buddhist monk burned himself to death two days ago, to protest Viet Cong abuses of "religious people" and pagodas, and to urge Buddhists to "return to the nationalist cause." The incident reportedly occurred in the delta south of Saigon, where the Buddhist Institute is relatively unorganized. [REDACTED]

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NORTH VIETNAM



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III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

1. Initial photoanalysis of the strike on Dong Hoi Airfield reveals that five buildings were destroyed and several others damaged out of approximately 15 buildings at the field. The runway was cratered in approximately 12 places. Dong Hoi has not been used by North Vietnamese aircraft since February, when the air strikes began. Prior to that time it was used infrequently by DRV transport aircraft.

2. The most recent report from Canadian sources in Hanoi indicates that the priority construction project under way on the outskirts of the city is probably not an AAA or SAM site as previously believed possible. The Canadian ICC representatives revisited the site on 23 March. Construction at that time consisted in part of four concrete columns about 50 feet high in a row. The erection of these columns, along with the fabrication of roof trusses, suggested that an industrial-type building was going up. The reason for the obvious high priority accorded the work is still unknown. The lack of roadblocks and guards around the site, however, suggests that the North Vietnamese are not concerned about security and that the building may have no military significance.

3. There is still no firm evidence of Soviet military aid deliveries to the DRV since Kosygin's visit. However, another group of North Vietnamese pilots apparently began fighter training in the Soviet Union in late February, according to the

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A group of aviation engineers also began their training at the same time. Previous reports had indicated that around 600 North Vietnamese trainees had been receiving various types of flight training prior to the August 1964 Gulf of Tonkin incidents. Following this crisis, they apparently returned to the DRV.

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4. In other recent DRV developments bearing on the war, the North Vietnamese minister of agriculture, writing in an army journal, has indicated that the 1964 DRV rice production increased only five percent over the poor harvest of 1963. He said that a ten-percent increase to five million tons will be needed for 1965, and he tied the need for more production to the "struggle in the South" and the need to build up "reserves... of food larger than in previous years." The DRV has seldom been able to reach its planned goals for rice production, and the hoped-for increase in 1965 is probably no exception. The DRV has had to import some food grains in the last four years to supplement domestic production.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. No bloc military developments related to the situation in Vietnam have been noted in the past 24 hours.

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V. COMMUNIST POLITICAL DEVELOPMENTS

1. Asian Communist propaganda on the bombing of the US Embassy in Saigon has so far been mainly reportorial in nature. They can be expected, however, to make a major effort to exploit the incident, probably along the lines of earlier attacks on American facilities at Bien Hoa and Qui Nhon. These assaults were used to illustrate Communist claims of US vulnerability to Viet Cong warfare in South Vietnam in an effort to prove to the Vietnamese people that US action cannot be expected to change the outcome of the war.

2. Previous assaults on US facilities by the Viet Cong appeared to be coordinated ahead of time with Hanoi. If the embassy bombing was also ordered by the DRV, it would clearly indicate a North Vietnamese willingness to risk a stiff US retaliatory response in the apparent belief that the psychological and physical damage to the US position in South Vietnam would be worth the punishment.

3. Bloc propaganda otherwise continues to focus on gas warfare charges against the US. Hanoi's domestic service, as well as its broadcasts to South Vietnam on 27 and 28 March, devoted nearly one third of their programs to this topic.

4. Soviet developments consisted mainly of a conversation between Soviet delegate Federenko and Ambassador Yost at a UN Security Council luncheon yesterday. Federenko, who has publicly condemned the US for "aggression" in Vietnam, studiously avoided any reference to Vietnam, but stressed the theme that world peace depends on "understanding and cooperation" between the US and USSR. He said that this point is "fully understood" in the Soviet Union. He insisted that there is "firm determination" in Moscow to avoid war because the consequences would be "unthinkable" and because the Soviets wish to concentrate on developing their economy and public welfare. Federenko went on to contrast this view at some length, and very bitterly, with the views of the Chinese Communists. He said they are "totally reckless as to the consequences to the people of the world."

VI. OTHER MAJOR ASPECTS

1. Japanese trade with North Vietnam is apparently being curtailed as a result of the air strikes on the DRV. According to unconfirmed press reports, six Japanese shipping firms handling coal shipments from North Vietnam have now decided to halt their sailings to DRV ports. It is known that Japanese shipping interests have been under pressure from the moderate Seamen's Union to avoid North Vietnamese waters since the Tonkin Gulf incidents last fall. A shipment of 1,000 tons of gasoline for Haiphong has reportedly been held up as a result of the Union's refusal to staff the vessel because of the danger involved.

2. An assessment of the status of free world shipping to North Vietnam is being made for this publication and will be carried when completed.

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